



UNITED STATES  
**SECURITIES AND EXCHANGE COMMISSION**  
**DIVISION OF ENFORCEMENT**

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January 20, 2023

**VIA ECF**

The Honorable Colleen McMahon  
United States District Judge  
United States Courthouse  
500 Pearl Street, Courtroom 24A  
New York, NY 10007-1312

*Re: SEC v. Andrew T. Franzone, et al., No. 21-cv-3619 (CM)*

Dear Judge McMahon:

I serve as lead counsel to Plaintiff Securities and Exchange Commission (the "SEC") in the above-referenced case. In accordance with Your Honor's Order dated January 17, 2023 (ECF No. 17), this letter is submitted on behalf of the SEC, in consultation with the United States Attorney's Office for the Southern District of New York ("USAO"), regarding the status of this case.

On June 14, 2021, this Court granted the USAO's motion to intervene and stay this case. (ECF No. 14) The Court stayed this case until ten days after the jury delivers a verdict in the USAO's parallel criminal case, *United States v Andrew T. Franzone*, 21 Mag 4261 (S.D.N.Y.) (the "Criminal Case"), which has since been transferred to Judge Vernon Broderick under case number 21 CR 446. The USAO has informed us that it is actively prosecuting the Criminal Case, and believes that this civil case should remain stayed during its pendency. The USAO states that the defendant in the Criminal Case has changed counsel twice, and has moved to suppress the fruits of certain searches. That motion is awaiting decision. Judge Broderick has scheduled a status conference in the Criminal Case on January 27, 2023. The undersigned is happy to provide further updates as the Court so orders.

We thank Your Honor for the opportunity to submit this Status Report.

The Honorable Colleen McMahon

January 20, 2023

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Respectfully submitted,

/s/Duane K. Thompson

Duane K. Thompson

cc: Counsel or Record (Via ECF)